

ARTICLE APPEARED
ON PAGE 1-59

THE NEW YORK TIMES

March 1978

21

TWO I.T.T. OFFICIALS ARE ACCUSED BY U.S. OF PERJURY ON CHILE

Justice Dept. Indicates No Criminal
Charges Will Be Brought Against
Geneen, Company's Chairman

By ANTHONY MARRO

Special to The New York Times

WASHINGTON, March 20—The Justice Department today charged two officials of the International Telephone and Telegraph Corporation with a total of 12 felony offenses, all of them stemming from their testimony to a Senate subcommittee about the company's involvement in the 1970 presidential election in Chile.

The criminal informations accuse Edward J. Gerrity Jr., 54 years old, of Larchmont, N.Y., and Robert Berrellez, 58, of Chatsworth, Calif., with perjury, obstruction of governmental proceedings and making false statements in a government matter.

At the same time, in a prepared statement, the department indicated that it did not intend to bring criminal charges against Harold S. Geneen, I.T.T.'s chairman, who was also being investigated because of testimony he gave at those same 1973 hearings.

Five-Year Limitation Statute

In New York, I.T.T. issued a statement saying the company was "confident" that the two executives "will be cleared." It added that "at all times our executives have cooperated" with the investigation "and have had the full support and backing of the corporation."

It said that I.T.T. "continues to have confidence in Mr. Gerrity's and Mr. Berrellez's integrity. They both continue to serve as valued executives of I.T.T. We are fully confident they will be found innocent." Neither Mr. Gerrity nor Mr. Berrellez, nor their attorneys, could be reached for comment.

The criminal information was filed in the United States District Court here today at about 3 P.M., shortly before the five-year statute of limitations on the charges was scheduled to lapse.

It was filed in the same court where Richard Helms, a former director of the Central Intelligence Agency, was permitted last October to plead "no contest" to a misdemeanor charge stemming from his testimony to the same Senate subcommittee on the same issue.

Difference in Cases Seen

Mr. Helms, who argued that as C.I.A. director he had sworn an oath to protect intelligence secrets, was fined \$2,000, which was paid by former associates who took up a collection for him, and was given a suspended two-year prison sentence.

Mr. Gerrity, a senior vice president of I.T.T., faces maximum penalties of 30 years in prison and \$23,000 in fines. Mr. Berrellez, I.T.T.'s Southwest regional manager for public relations and civil affairs, faces maximum penalties of 30 years in prison and \$31,000 in fines.

Although both Mr. Helms and the two I.T.T. officials were charged with having misled the Senate Foreign Relations Committee's Subcommittee on Multinational Corporations on the nature of I.T.T. and C.I.A. attempts to influence the 1970 Chilean election, a Justice Department official said today that the two cases were quite different.

Benjamin E. Civiletti, the Acting Deputy Attorney General, said that the case against Mr. Helms and the case against the I.T.T. officials involved "entirely different facts, different circumstances and different persons."

Although he would not elaborate on the differences, Mr. Civiletti allowed that one was that Mr. Helms's oath, or at least "his interpretation of his oath," put him in a different situation than Mr. Gerrity and Mr. Berrellez, who he said were "private individuals [with a] private organization."

At one point while being questioned by reporters, Mr. Civiletti bristled slightly at a suggestion that the Justice Department had focused on "low-ranking people," rather than senior executives, such as Mr. Geneen.

'It Depends on the Facts'

"The law doesn't depend on whether someone is senior or junior," he said. "It depends on the facts."

However, the Senate subcommittee staff member who had handled much of the questioning of the I.T.T. officials said he was "very disturbed that the department didn't probe further Mr. Geneen's statements."

Jack Blum, who was on the Senate staff but is now in private practice, said that he believed Mr. Geneen "might be eligible for one of the great fiction prizes, something akin to the National Book Awards."

At the time of the hearings in March and April 1973, the subcommittee, which was headed by Senator Frank Church, Democrat of Idaho, was investigating I.T.T. and C.I.A. involvement in the 1970 elections in Chile.

A subsequent investigation in 1975 by the Senate Intelligence Committee, also headed by Mr. Church, suggested that both organizations were opposed to the election of the late Salvador Allende, a Marxist who I.T.T. officials feared might expropriate some of the corporation's properties there.

It was also shown that the C.I.A. had funneled more than \$8 million to opponents of Dr. Allende, who died during a coup d'etat in September 1973 and that I.T.T. and the C.I.A. had cooperated to some extent in developing their campaigns against him.

Testimony to the Contrary

At the time of the initial hearing, however, there was considerable testimony to the contrary by I.T.T. and C.I.A. officials. Mr. Helms, for example, said that his agency had not funneled any money to opponents of Dr. Allende. I.T.T. officials testified that the C.I.A. had rejected their offers of help and that the only money spent during this period was to promote agriculture and housing—not to block Dr. Allende.

There was some confusion about precisely when the statute of limitations was due to expire in the matter. But a Justice Department spokesman, Robert Stevenson, said it was either midnight tonight or midnight tomorrow.

The grand jury that had been hearing evidence in the case for two years expired last month, and the Justice Department would have had to empanel another one to seek an indictment. Both men, however, had waived their rights to grand jury consideration of an indictment, so the department was able to file a criminal information, a statement of charges usually received for misdemeanor cases.